

District I
1625 N. French Dr., Hobbs, NM 88240

District II
1301 W. Grand Avenue, Artesia, NM 88210

District III
1000 Rio Brazos Road, Aztec, NM 87410

District IV
1220 S. St. Francis Dr., Santa Fe, NM 87505

RECEIVED
State of New Mexico
Energy Minerals and Natural Resources

MAR 25 2011 Oil Conservation Division
HOBBSDOCD 1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-101
June 16, 2008

Submit to appropriate District Office

☐ AMENDED REPORT

APPLICATION FOR PERMIT TO DRILL, RE-ENTER, DEEPEN, PLUGBACK, OR ADD A ZONE

Operator Name and Address MARSHALL & WINSTON, INC.		OGRID Number 014187
Property Code 38545		API Number 30-02536013
Property Name NEW FEE		Well No. #1
Proposed Pool 1 TOWNSON PERMO UPPER PENN		Proposed Pool 2

Surface Location

UL or lot no. I	Section 26	Township 15S	Range 34E	Lot Idn	Feet from the 1974	North/South line SOUTH	Feet from the 1129	East/West line EAST	County LEA
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Proposed Bottom Hole Location If Different From Surface

UL or lot no. I	Section 26	Township 15S	Range 34E	Lot Idn	Feet from the 1974	North/South line SOUTH	Feet from the 1129	East/West line EAST	County LEA
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Additional Well Information

Work Type Code EP	Well Type Code O	Cable/Rotary Rotary	Lease Type Code FEE	Ground Level Elevation 4055
Multiple	Proposed Depth 11490	Formation PENN	Contractor	Spud Date 4-1-2011

Proposed Casing and Cement Program

Hole Size	Casing Size	Casing weight/foot	Setting Depth	Sacks of Cement	Estimated TOC

Describe the proposed program. If this application is to DEEPEN or PLUG BACK, give the data on the present productive zone and proposed new productive zone. Describe the blowout prevention program, if any. Use additional sheets if necessary.

SEE ATTACH C-103

Permit Expires 2 Years From Approval
Date Unless Drilling Underway
Plugback

I hereby certify that the information given above is true and complete to the best of my knowledge and belief.

Signature:

Vernon D. Dyer

Printed name:

VERNON D. DYER

Title:

AGENT

E-mail Address:

VDYEROIL@CABLEONE.NET

Date:

3-25-2011

Phone:

575-420-0355

OIL CONSERVATION DIVISION

Approved by:

[Signature]

Title:

Geologist

Approval Date:

04/12/11

Expiration Date:

04/11/13

Conditions of Approval Attached ☐

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MAR 25 2011

State of New Mexico

Form C-102

Revised July 16, 2010

Energy, Minerals & Natural Resources Department

Submit one copy to appropriate

District Office

OIL CONSERVATION DIVISION

1220 South St. Francis Dr. MAR 25 2011

Santa Fe, NM 87505

☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-02536013	² Pool Code 59847	³ Pool Name TOWNSON PERMO UPPER PENN
⁴ Property Code 38545	⁵ Property Name M&W FEE	
⁷ OGRID No. 014187	⁸ Operator Name MARSHALL E WINSTON, INC.	⁶ Well Number #1 ⁹ Elevation 4055'

¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot 1 dn	Feet from the	North/South line	Feet from the	East/West line	County
I	26	15S	34E		1974	SOUTH	1129	EAST	LEA

¹¹ Bottom Hole Location If Different From Surface

UL or lot no.	Section	Township	Range	Lot 1 dn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 40	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
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No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

¹⁶ <div style="border: 1px solid black; width: 100px; height: 100px; position: relative;"> <div style="position: absolute; top: 0; right: 0; border: 1px solid black; width: 50px; height: 50px; transform: rotate(90deg);"> 1129' </div> <div style="position: absolute; bottom: 0; left: 0; border: 1px solid black; width: 50px; height: 50px;"> 1974' </div> </div>	¹⁷ OPERATOR CERTIFICATION I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unless mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division. Signature: <u>Vernon D. Dyer</u> Date: <u>3-25-2011</u> Printed Name: <u>VERNON D. DYER</u> E-mail Address: <u>vdyeoik@cablenet.net</u>	
	¹⁸ SURVEYOR CERTIFICATION I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief. Date of Survey: _____ Signature and Seal of Professional Surveyor: _____ Certificate Number: _____	

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MAY 12 2010
HOBBSD
 CONSERVATION DIVISION
 1220 South St. Francis Dr.
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WELL API NO. 30-025-36013

5. Indicate Type of Lease
STATE FEE X6. State Oil & Gas Lease No.
N / A (Fee)7. Lease Name or Unit Agreement Name
M&W Fee 01

8. Well Number 01

9. OGRID Number 014187

10. Pool name or Wildcat
Townsend Perma - Cisco

SUNDRY NOTICES AND REPORTS ON WELLS

(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: Oil Well X Gas Well Other:

2. Name of Operator

Marshall and Winston Incorporated

3. Address of Operator

P. O. Box 50880, Midland, TX 79710-0880

4. Well Location

Unit Letter I, 1974 feet from the South line and 1129 feet from the East line

Section 26

Township 15 S

Range 34 E

NMPM

Lea County

11. Elevation (Show whether DR, RKB, RT, GR, etc.)
4055' GR

12. Check Appropriate Box to Indicate Nature of Notice, Report or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK ☐ PLUG AND ABANDON ☐
 TEMPORARILY ABANDON ☐ CHANGE PLANS ☐
 PULL OR ALTER CASING ☐ MULTIPLE COMPL ☐
 DOWNHOLE COMMINGLE ☐ Come up hole and test Cisco

OTHER: Perforate and test the Cisco at (11,405 to 11,490)'



SUBSEQUENT REPORT OF:

REMEDIAL WORK ☐ ALTERING CASING ☐
 COMMENCE DRILLING OPNS. ☐ P AND A ☐
 CASING/CEMENT JOB ☐

OTHER:



13. Describe proposed or completed operations. (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 19.15.7.14 NMAC. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

MIRU, Open well, release pressure, pump 10# Brine, rig down tree, NU BOP, release packer, pump 10# brine if needed, if not pump 2% KCL, pressure test 5 1/2" casing to 1,000 psi and hold for 30 minutes, pull 2 3/8" tubing (13,000 Ft.), RIH w/ 5 1/2" CIBP, set at 12,800 ft. RU WSI and run correlation Log, Perf Cisco b/t 11,405 and 11,490. RIH w/ 2 3/8" tubing and packer, Spot 500 gallons NEFE acid, set packer at 11,200 ft., pressure test back side from packer up to 1000 psi, pump acid away, establish pump rate, pump small acid frac 2500 gallons of NEFE and displace the 2 % KCL. RD pump trucks, WO acid to break, swab well.

Attached: Copy of Completion Prognosis

Planning to start work upon Sundry approval by the NMOC.

Spud Date:

Rig Release Date:

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE

Vernon D. Dyer

TITLE Agent

DATE 05/11/2010

Type or print name Vernon D. Dyer E-mail address: vdyeroil@cableone.com PHONE: (575) 420-0355

For State Use Only

APPROVED BY:

[Signature]

TITLE

PETROLEUM ENGINEER

DATE

APR 12 2011

Conditions of Approval (if any):

MARSHALL & WINSTON
M & W FEE 1
COMPLETION PROGNOSIS
1974/S & 1129/E
N/2 SE/4 Sec 26-I, T 15 S., R 345 E
Lea County NM
API: 30-025-36013

1. MIRU Work-over Rig.
2. Open well to release pressure until well dies.
3. Pump 10# brine to kill the well.
4. Rig down tree and NU BOP.
5. Release packer and Pump 10# Brine if needed.
6. If 10# Brine is not needed pump 2% KCL and displace enter wellbore.
7. Pressure test 5-1/2" casing to 1000 psi for 30 minutes.
8. Pull 2-3/8" tubing approx 13,000'.
9. Run in hole with 5-1/2" CIBP and set at 12800'
10. RU WSI and run Correlation Log.
11. Run in hole with wireline.
12. We will selectively perforate the Cisco at interval 11405'- 11490'.
13. Run in hole with 2-3/8" tubing and packer.
14. Spot 500 gallons NEFE acid.
15. Set packer at about 11200'
16. Pressure test backside of tubing from the packer up to 1000 psi.
17. Pump acid away and establish a pump rate.
18. Pump small acid frac 2500 gallons of NEFE and displace with 2% KCL.
19. Rig Down pump trucks.
20. Wait for acid to break.
21. Swab well.

Venders:

Cavalos Well Service: Roger Garcia 575-369-5094 Work-over Rig, Pipe Racks, BOP

Tarpon Pipe: John 432-683-8777 Tubing

Pumper: Travis Flemmons 575-631-0906

VMJ Well Service: Frank 575-631-0439 Water Hauler, Kill Truck (knows which tank has brine water)

Production Specialties: Carlos 575-420-0908 Pump and pump supplies

Denny Snelson: 432-556-5590 Pumping Unit

Equipment Specialty Company: Tate Brandt (817) 692-4000 Sucker Rods

BJ Services: Mike Surabia.

Directions: In Lovington, NM take 17th Street (next to Lovington Inn) north to 'T' which is Gum Road. Turn left on Gum Road and go west for 7.5 miles. Turn right onto lease road at the cattle guard. Go north and east on the lease road for about 3 miles and road will end at the location.